12/16/86 S6615-2

OREGON LABOR TRENDS

Prepared by Research and Statistics Section
STATE OF OREGON • EMPLOYMENT DIVISION • DEPARTMENT OF HUMAN RESOURCES
NOVEMBER 1986

OCTOBER INDICATORS

UNEMPLOYMENT RATE

Oregon	(Seas. Adj.)
Oct. 1986	8.1
Sept. 1986	9.1
Oct. 1985	8.4
U.S.	
Oct. 1986	7.0
Sept. 1986	7.0
Oct. 1985	7.1

WAGE AND SALARY EMPLOYMENT INDEX

Oregon	1977=100
Oct. 1986	113.2
Sept. 1986	112.2
Aug. 1986	112.5
July 1986	111.9
June 1986	112.2

DIFFUSION INDEX

Oregon	
Oct. 1986	52.3
Sept. 1986	50.8
Aug. 1986	49.6
July 1986	43.0
June 1986	47.7

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon	
Sept. 1986	38.7
Aug. 1986	38.7
Sept. 1985	39.2

CONSUMER PRICE INDEX (CPI)
1967=100
ALL URBAN CONSUMERS

Portland MSA	
Sept. 1986	318.0
Yearly Change	+ 1.0%
U.S.	
Oct. 1986	330.5
Yearly Change	+ 1.5%

Portland Hotline 221-4132

PUTTING IT TOGETHER

Duane Ackerson

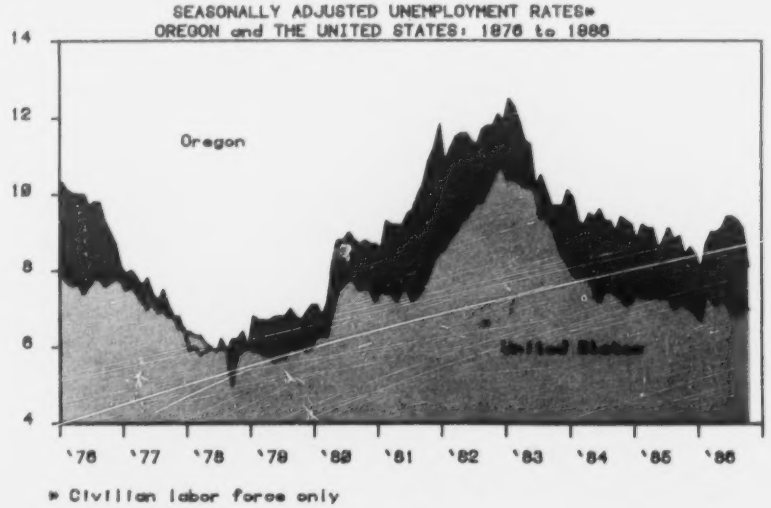
Every minor detail is a major decision.

Stephen Sondheim,
Sunday in the Park with George

The news about both employment and unemployment in Oregon was good in October. However, even a good picture isn't the same thing as a clear one. As the painter in the Stephen Sondheim musical inspired by the work of French painter Georges Seurat says, "the art of making art...is putting it together". Probably the same thing is true of whatever art there may be to economic analysis. Perhaps some of the details that follow will come together, like the "pointillist" painter's spots of color and light, to create at least a crude picture of an economy that is also putting itself back together.

Oregon's seasonally adjusted unemployment rate fell a full percentage point to 8.1%, the lowest it has been since the start of the year, and 0.3 point lower than the year ago rate. In fact, other than the 8.0% rate in January of 1986, October's 8.1% is the lowest the rate has been since March 1980, when it was 7.2%. The number of unemployed, at 99,800, was 6,300 fewer than in September. Meanwhile, the national civilian unemployment rate remained fixed at 7.0%. Perhaps an even more positive

SEASONALLY ADJUSTED UNEMPLOYMENT RATES*
OREGON and THE UNITED STATES: 1976 to 1986



* Civilian labor force only

RESIDENT OREGON LABOR FORCE

	OCT. 1986 1/	SEPT. 1986 2/	CHANGE	% CHANGE	OCT. 1985 5/
CIVILIAN LABOR FORCE 3/	1,395,200	1,380,100	15,100	1.1	1,343,000
UNEMPLOYMENT	99,800	106,100	- 6,300	- 5.9	99,400
PERCENT OF LABOR FORCE	7.2	7.7	XXX	XXX	7.4
SEASONALLY ADJUSTED PERCENT	8.1	9.1	XXX	XXX	8.4
TOTAL EMPLOYMENT 4/	1,295,400	1,274,000	21,400	1.7	1,243,600

1/ PRELIMINARY. 2/ REVISED. 3/ INCLUDES EMPLOYED AND UNEMPLOYED INDIVIDUALS 16 YEARS AND OLDER. DATA ARE ADJUSTED FOR MULTIPLE JOB-HOLDING AND COMMUTING. 4/ INCLUDES NONAGRICULTURAL WAGE AND SALARY, SELF-EMPLOYED, UNPAID FAMILY WORKERS, DOMESTICS, FARM WORKERS, AND LABOR DISPUTANTS. 5/ DUE TO REVISED ESTIMATING PROCEDURES BETWEEN DECEMBER 1985 AND JANUARY 1986, DATA FOR 1986 AND THAT OF PREVIOUS YEARS ARE NOT STRICTLY COMPARABLE.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	OCT. 1986 1/	SEPT. 1986 2/	OCT. 1985	CHANGE FROM SEPT. 1986	CHANGE FROM OCT. 1985
TOTAL 3/	1,078,900	1,068,800	1,058,500	10,100	20,400
WAGE & SALARY EMPLOYMENT INDEX 4/	113.2	112.2	111.0	XXX	XXX
DIFFUSION INDEX 5/	52.3	50.8	56.6	XXX	XXX
TOTAL MANUFACTURING	204,700	208,100	210,100	- 3,400	- 5,400
DURABLE GOODS	145,400	145,900	149,100	- 500	- 3,700
LUMBER & WOOD PRODUCTS	66,400	66,800	64,900	- 400	1,500
LOGGING & SAWMILLS	35,000	35,300	34,500	- 300	500
VENEER & PLYWOOD	17,100	16,900	16,300	200	800
MILLWORK & STRUCTURAL WOOD	9,200	9,300	9,000	- 100	200
MOBILE HOMES	1,500	1,600	1,500	- 100	0
OTHER WOOD PRODUCTS	3,600	3,700	3,600	- 100	0
FURNITURE AND FIXTURES	2,900	2,900	2,900	0	0
STONE, CLAY, GLASS & CONCRETE	3,100	3,300	3,100	- 200	0
PRIMARY METALS	8,400	8,300	8,800	100	- 400
BLAST FURNACES, IRON & STEEL	5,400	5,300	5,600	100	- 200
NONFERROUS METALS	3,000	3,000	3,200	0	- 200
FABRICATED METALS	10,900	10,900	11,900	0	- 1,000
FABRICATED STRUCTURAL METALS	5,000	5,000	6,000	0	- 1,000
OTHER FABRICATED METALS	5,900	5,900	5,900	0	0
MACHINERY	14,400	14,400	15,500	0	- 1,100
ELECTRICAL EQUIPMENT & SUPPLIES	13,200	13,300	13,800	- 100	- 600
TRANSPORTATION EQUIPMENT	11,400	11,100	11,300	300	100
INSTRUMENTS & RELATED PRODUCTS	12,100	12,200	14,300	- 100	- 2,200
MISCELLANEOUS MANUFACTURING	2,600	2,700	2,600	- 100	0
NONDURABLE GOODS	59,300	62,200	61,000	- 2,900	- 1,700
FOOD & KINDRED PRODUCTS	28,400	30,900	30,300	- 2,500	- 1,900
CANNING & PRESERVING	17,600	20,500	19,500	- 2,900	- 1,900
OTHER FOOD PRODUCTS	10,800	10,400	10,800	400	0
TEXTILE MILL PRODUCTS	1,600	1,600	1,600	0	0
APPAREL	2,300	2,200	2,400	100	- 100
PAPER & ALLIED PRODUCTS	9,000	9,300	9,200	- 300	- 200
PRINTING & PUBLISHING	11,900	12,000	11,600	- 100	300
CHEMICALS & ALLIED PRODUCTS	2,000	2,000	1,900	0	100
PETROLEUM REFINING	400	400	400	0	0
RUBBER & PLASTIC PRODUCTS	3,200	3,200	3,100	0	100
LEATHER PRODUCTS	500	600	500	- 100	0

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(BY PLACE OF WORK)

INDUSTRY	OCT. 1986	SEPT. 1986	OCT. 1985	CHANGE FROM SEPT. 1986	CHANGE FROM OCT. 1985
(CONT.)					
TOTAL NONMANUFACTURING	874,200	860,700	848,400	13,500	25,800
MINING & QUARRYING	1,800	1,800	1,800	0	0
CONSTRUCTION	34,700	36,100	35,200	- 1,400	- 500
TRANSPORTATION, COMMUNICATIONS, & UTILITIES	59,500	59,100	59,600	400	- 100
TRANSPORTATION	38,400	37,800	37,700	600	700
RAILROAD	4,500	4,500	5,000	0	- 500
TRUCKING & WAREHOUSING	22,300	21,800	21,300	500	1,000
OTHER TRANSPORTATION	11,600	11,500	11,400	100	200
COMMUNICATIONS	12,800	12,900	13,300	- 100	- 500
UTILITIES	8,300	8,400	8,600	- 100	- 300
TRADE	268,900	269,000	263,200	- 100	5,700
WHOLESALE TRADE	67,500	67,900	68,100	- 400	- 600
DURABLE GOODS	39,100	39,200	39,400	- 100	- 300
NONDURABLE GOODS	28,400	28,700	28,700	- 300	- 300
RETAIL TRADE	201,400	201,100	195,100	300	6,300
GENERAL MERCHANDISE	27,300	26,100	25,600	1,200	1,700
FOOD STORES	31,500	31,400	29,400	100	2,100
AUTO DEALERS & SERVICE STATIONS	25,100	25,200	24,600	- 100	500
OTHER RETAIL TRADE	117,500	118,400	115,500	- 900	2,000
FINANCE, INSURANCE, & REAL ESTATE	70,400	71,300	67,600	- 900	2,800
BANKING & CREDIT AGENCIES	23,700	23,900	23,800	- 200	- 100
OTHER FINANCE, INSURANCE, & REAL ESTATE	46,700	47,400	43,800	- 700	2,900
SERVICES	233,100	231,600	218,700	1,500	14,400
HOTELS & PERSONAL SERVICES	25,200	26,100	24,100	- 900	1,100
HEALTH SERVICES	73,700	74,200	70,200	- 500	3,500
OTHER SERVICES	134,200	131,300	124,400	2,900	9,800
GOVERNMENT	205,800	191,800	202,300	14,000	3,500
FEDERAL GOVERNMENT	28,400	29,000	28,900	- 600	- 500
STATE GOVERNMENT	56,000	51,300	55,100	4,700	900
EDUCATION	24,500	18,900	23,700	5,600	800
OTHER STATE	31,500	32,400	31,400	- 900	100
LOCAL GOVERNMENT	121,400	111,500	118,300	9,900	3,100
EDUCATION	77,500	66,800	75,500	10,700	2,000
OTHER LOCAL	43,900	44,700	42,800	- 800	1,100
LABOR-MANAGEMENT DISPUTES	100	800	100	- 700	0

1/ PRELIMINARY

2/ REVISED

3/ INCLUDES FULL AND PART-TIME NONFARM WAGE AND SALARY WORKERS IN PAY PERIODS INCLUDING THE 12TH OF THE MONTH. PROPRIETORS, SELF-EMPLOYED, PRIVATE HOUSEHOLD WORKERS AND ARMED FORCES EXCLUDED. NOTE: ESTIMATED IN COOPERATION WITH THE U.S. BUREAU OF LABOR STATISTICS AND EMPLOYMENT AND TRAINING ADMINISTRATION. ALL DATA ARE BASED ON THE 1972 STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES AS AMENDED BY THE 1977 SUPPLEMENT.

4/ TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED, AND INDEXED TO 1977. DATA ON THE EARLIER INDEX (1972 = 100) CAN BE CONVERTED TO THE 1977 BASE PERIOD BY MULTIPLYING BY A FACTOR OF .8264, THE RATIO BETWEEN 1972'S ANNUAL AVERAGE EMPLOYMENT (774,300) AND THAT OF 1977 (936,900).

5/ THE DIFFUSION INDEX IS THE PERCENTAGE OF A SELECTED GROUP OF 43 INDUSTRIES SHOWING AN INCREASE IN SEASONALLY ADJUSTED EMPLOYMENT. HALF OF THOSE INDUSTRIES SHOWING NO SIGNIFICANT CHANGE (LESS THAN 1/2 OF 1%) ARE COUNTED AS INCREASING.

Oregon indicator was the nonfarm employment index. At 113.2, this was at its highest level in over six years. As if this weren't enough reassurance, the diffusion index, at 52.3, was 1.5 points higher than in September (though 4.3 points lower than a year before).

Broken down into its major components, non-agricultural wage and salary employment showed some of the trends it has evidenced in the past. The nonmanufacturing sector continued to exhibit healthy growth (+13,500 over the month and +25,800 over the year). As in the past, this performance tended to obscure the continued erosion of the manufacturing side of the economy, which showed a decline of -3,400 from September and -5,400 from October 1985. Most of the manufacturing decline from one month ago was predictable, especially the part attributable to the end of the canning and preserving season. Less predictable, but indicative of a national trend, was the 3,600 job loss in the high tech industries over the year that left the State a little less in the (silicon) chips.

The "Wharton Econometrics" (November 1986) forecast of Nariman Behravesh and Robert F. Wescott suggests there is some good news for U.S. manufacturing in the area of the merchandise trade deficit. The news is that in September, imports of manufactured goods had fallen off, though the export side remained relatively flat. Though it may be slow in coming, the authors foresee the trade upturn needed to sustain economic recovery, with possible benefits for manufacturing. However, looking at a major area of the Oregon economy, the present export perspective isn't even one of Flatland. In the first two quarters of 1986, the total volume of softwood log exports from the Oregon Customs District was 498.1 million board feet (MBF). This was a decline of 13.9%, or 80.3 MBF, from the first two quarters of 1985. Comparing corresponding periods for export of softwood lumber, the 222.3 MBF in 1986 represented an 11.5% decline from 1985. The Nation may need to look elsewhere than Oregon to solve its trade deficit.

Among the major industry groups, the largest seasonally adjusted increases between September and October were, in ranking order, those in government (+3,800), trade (+3,000), and services (+2,700). The greatest seasonally adjusted declines were in construction and food and kindred products, which finished last in a dead heat(-700 each). Within construction, heavy construction, with an employment drop of -500, (about 200 more than seasonally anticipated) contributed strongly to the industry's decline. Wharton feels there is a less than 50% chance the Federal Reserve will lower the discount rate before the end of the year, not particularly good news for construction or real estate, neither of which were showing much strength this month. (On the other hand, we are entering the time of year when construction and home sales slack off, anyway, minimizing this negative impact.)

Within total nonmanufacturing, education (state and local) was a major contributor to the sector's overall strong performance. Its over-the-month employment increase of 16,300 was instrumental in producing a government gain of 14,000, and a non-manufacturing rise, as indicated above, of 13,500. In the longer term, state and local education showed employment levels 2,800 higher than those of a year ago, with community colleges accounting for almost half of this increase. Services was another sector that showed considerable strength, with a +1,500 over-the-month change and a +14,400 improvement over year ago figures. Within services, other services (+2,900 over the month, +9,800 over the year) contributed much of the clout.

An area of particular interest, with tax return time drawing near, is the impact the Tax Reform Act of 1986 will have on the Oregon economy. The governor elect has indicated his preference that any extra revenue which might accrue to the State not be collected in the first place, allowing the impact on State income to be revenue neutral.

Wharton provides an interesting breakout of the revenue impact of the new federal tax law on the states. The writers indicate the categories into which the various states will fall: 1) revenue loss 1% or less : four states; 2) revenue gain 0% - 3% : 23 states; 3) revenue gain 3 - 5% : 11 states; 4) revenue gain over 5% : one state; 5) revenue neutral : 11 states. Oregon is the only state to fall in the fourth category.

In actuality, the picture appears, like a painting by Seurat, to be more complex the more closely it's scrutinized, and the Wharton analysis, for Oregon at least, misleading. "The Effect of Federal Tax Reform on State Income Taxes: A Preliminary Analysis" (Research Report 11-86 of the Legislative Revenue Office; Nov. 7, 1986) raises a number of qualifications. The report points out that the Oregon income tax is tied to the 1984 Internal Revenue Code, not the one just enacted into law by the Congress. The only automatic revenue increase would be one in the neighborhood of $20 million. This would result because federal income taxes are deductible on the Oregon tax return. If we assume there will be a drop in federal taxes overall, this decline will reduce this deduction and increase the Oregon tax. If, in addition to this passively acquired revenue feedback, the State seeks to actively benefit from any windfall, it would have to first pass legislation to "re-connect" with the new federal tax law. If the State adopts the federal changes in income subject to tax without changing State tax rates, personal exemption credit, or the standard deduction, then a revenue increase of up to $150 million a year could result.

In the hopeful spirit engendered by positive indicators, it would perhaps be best to conclude that, given either scenario (additional tax revenue goes to the State, or Federal tax savings stay with the taxpayers), the end result of the Federal Tax Reform Act should be beneficial for Oregon's economy, since more money will remain within the State. □

OREGON EMPLOYMENT PROJECTIONS — THE OCCUPATIONAL PERSPECTIVE

David Allen

Forecasting industry growth or decline is one thing; forecasting occupational change is another. Oregon's employment is very likely to grow, at least slowly, over the next five years. This growth is predicted by the Executive Department's Econometric Model, Bonneville Power Administration, and the Employment Division. Futurists, however, do not agree on the speed and nature of occupational change within the employment picture. Historically, a new technology took at least 10 years to have a significant employment impact. Today, we read about the changing nature of work on almost a daily basis. Many argue that the computer is changing all of our jobs. Within this context, it is difficult to predict what realistically is going to happen even in the next five years. In this article, we will explore what has happened to Oregon's changing work place, and what is most likely to occur in the near future. The data presented is gathered by the Occupational Employment Statistics program that surveys employers to find out what is happening in the current work place. Each year one third of all employers are in the survey. By comparing different survey results over time, trends can be analyzed and new occupational forecasts can be made.

The future is only a partial reflection of the past. However, Oregon's 1980 -1982 recession and subsequent "recovery" clearly has changed the kinds of workers that will be needed in the future. As shown in the accompanying occupational employment table, nonfarm employment in 1986 is still significantly less than the 1979 high. The 19,000 fewer jobs still means tough times in Oregon! The tough times, unfortunately, are not equally spread out among the occupational groups. Craft Workers, which includes carpenters, electricians, machinists, and plumbers, lost over 18,000 jobs. Additional job losses totaling more than 21,000 occurred among Operatives (welders, drilling machine operators, veneer driers) and Laborers (choker setters, chain offbearers, construction workers). It might be

NONAGRICULTURAL
OCCUPATIONAL EMPLOYMENT IN OREGON

	1979		1986		1992 (Proj.)		1979-1986 Change		1979-1992 Change	
	Number	%	Number	%	Number	%	Number	%	Number	%
Professional & Technical	154,410	14.6	169,032	16.3	181,366	16.1	14,622	9.5	26,956	17.5
Managers & Officers	89,100	8.4	97,253	9.4	105,946	9.4	8,153	9.2	16,846	18.9
Sales Workers	77,530	7.3	81,588	7.9	89,954	8.0	4,058	5.2	12,424	16.0
Clerical Workers	210,300	19.9	208,451	20.1	231,440	20.6	-1,849	-0.9	21,140	10.1
Craft Workers	129,470	12.3	110,659	10.7	118,264	10.5	-18,811	-14.5	-11,206	-8.7
Operatives (semi-skilled)	150,430	14.3	141,026	13.6	149,044	13.2	-9,404	-6.3	-1,386	-0.9
Service	167,280	15.8	163,599	15.8	80,475	16.0	-3,681	-2.2	13,195	7.9
Laborers	76,890	7.3	64,717	6.2	68,824	6.1	-12,173	-15.8	-8,066	-10.5
Total	1,055,410	100.0	1,036,325	100.0	1,125,313	100.0	-19,085	-1.8	69,903	6.6

surprising to note that Clerical and Service (nonprofessional) employment also dropped. Primarily, this is due to the general lack of economic growth, but increasing automation also played a part. Taken together, all of these kinds of job losses are the effects of major shifts in the Oregon economy which now requires a somewhat different occupational skill mix than had been previously established.

A clue to the future of the new occupational mix can be found in looking at the occupational groups that grew between 1979 and 1986. Professional and Technical workers gained 14,622 jobs. Most of these jobs require training beyond high school in special areas of science, engineering, medicine, education, and law. The other big employment gain occurred among Managers and Officers, which increased by 8,153 workers . Many of these jobs also require advanced training, experience, and job skills. However, not all of the employment gains were of this nature. Sales Workers added an additional 4,058 jobs indicating the increasing importance of trade, finance, and insurance industries to the Oregon economy. This gain in employment, it should be kept in mind, was more apparent than real. As was mentioned in last month's Labor Trends, after adjusting for part-time work, the actual number of hours worked declined in retail trade. Most of these new sales jobs were part-time, averaging under 35 hours per week. Some futurists, noting this same trend nationally, have forecast a two class society with professional and technical workers at the top and a host of part-time sales and service workers at the bottom. This type of drastic skill shift is not, however, likely in spite of the trend towards more professional and technical employment.

The occupational employment table also provides us with some assurance that, at least until 1992, Oregon's occupational profile will not be drastically altered. The percent that each occupational group makes up of the total still provides significant employment in all areas. Oregon will still have 118,000 Craft Workers, 149,000 Operatives, and 68,000 Laborers. Overall economic growth, in spite of the computerization of work, will also create many new jobs for Sales, Clerical, and Service workers. The occupational mix in 1992 will still be quite diverse. However, even with almost 70,000 new jobs being created, most of the occupational groups that lost employment between 1979 and 1986 will not recover from their previous job losses by 1992. The changing economy clearly requires fewer workers in production and related craft occupations while increasing the need for workers in professional, technical, and managerial areas. This trend does not create a two class society, but it does point to an increasing need for more knowledge intensive kinds of labor. Fewer jobs will be available for those without advanced job skills.

Aside from the question of shifting occupational patterns, many people want to know "where are the jobs?". There are many different answers to this question. In terms of those occupations with the most job openings between 1986 and 1992, the answer is found in the "Top 20 High Demand Occupations" list. The top twenty include seven Service occupations (janitors, waiter or waitress, nurse aides, food preparation & service, kitchen helpers, cleaners, and housekeepers) and four Clerical occupations (secretaries, general clerks, cashiers, and receptionists). The only occupational group excluded from the top twenty is, not surprisingly, Craft Workers. Also excluded are any futuristic-sounding job titles. Oregon's high demand occupations are still more of a reflection of the past.□

TOP 20 HIGH DEMAND OCCUPATIONS
1986-1992

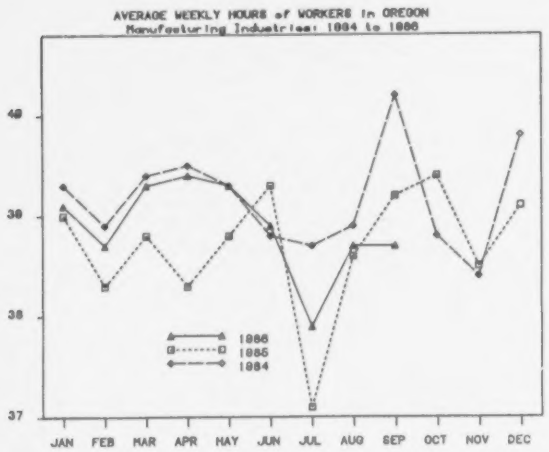
Occupations	# of growth openings
All Other Managers & Officers	7,253
Sales Representatives	6,562
Secretary	3,557
Cashier	3,510
Laborers and Unskilled	3,000
Truck Drivers	2,876
General Clerk	2,793
Janitors	2,749
Waiter or Waitress	2,740
Sales Clerks	2,699
Nurse Aide/Orderly	2,391
Food Prep. & Service Workers	1,706
Kitchen Helper	1,686
Manager, Store	1,668
Guards & Doorkeepers	1,374
Professional Nurse	1,313
Delivery Driver & Route	1,307
Cleaner, Housekeeping	1,208
Receptionist	1,191
Stock Clerk Storeroom	1,117

PLANNING DISTRICTS DEFINED

Last month's Oregon Labor Trends contained an article ("Oregon Employment Projections-The Industrial Perspective") which discussed the 1992 employment outlook by industry for Oregon and 14 local planning districts. For those readers who may not be familiar with these planning districts, their definitions are as follows:

District	Counties
1	Clatsop, Columbia, Lincoln, & Tillamook
2	Clackamas, Multnomah, & Washington
3	Marion, Polk, & Yamhill
4	Benton & Linn
5	Lane
6	Douglas
7	Coos & Curry
8	Jackson & Josephine
9	Hood River, Sherman, & Wasco
10	Crook, Deschutes, & Jefferson
11	Klamath & Lake
12	Gilliam, Grant, Morrow, Umatilla, & Wheeler
13	Baker, Union, & Wallowa
14	Harney & Malheur

HOURS & EARNINGS



AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Sep. 2/ 1986	Aug. 3/ 1986	Sep. 1985	Sep. 2/ 1986	Aug. 3/ 1986	Sep. 1985	Sep. 2/ 1986	Aug. 3/ 1986	Sep. 1985
TOTAL MANUFACTURING 4/	$405.19	$399.00	$407.68	38.7	38.7	39.2	$10.47	$10.31	$10.40
Durable Goods	418.26	410.89	428.25	39.2	38.8	39.8	10.67	10.59	10.76
Lumber & Wood Products	421.01	414.48	456.44	39.2	38.7	40.5	10.74	10.71	11.27
Logging & Sawmills	444.60	431.67	488.44	39.0	37.7	40.3	11.40	11.45	12.12
Veneer & Plywood	423.46	418.64	446.76	40.1	40.1	41.1	10.56	10.44	10.87
Millwork & Struct Wood	351.55	355.91	372.19	39.5	39.9	40.9	8.90	8.92	9.10
Mobile Homes	300.70	328.41	303.80	33.3	38.5	35.0	9.03	8.53	8.68
Other Wood Products	403.10	412.62	463.00	38.5	39.0	41.9	10.47	10.58	11.05
Furniture & Fixtures	311.12	304.58	314.59	38.6	39.3	38.6	8.06	7.75	8.15
Primary Metals	490.05	465.71	480.40	40.3	39.4	40.0	12.16	11.82	12.01
Fabricated Metals	393.03	387.50	387.20	39.7	39.5	40.0	9.90	9.81	9.68
Machinery	429.13	426.24	427.39	38.8	38.4	39.5	11.06	11.10	10.82
Nondurable Goods	371.88	372.88	357.40	37.3	38.6	37.7	9.97	9.66	9.48
Food & Kindred Products	285.48	299.15	286.01	36.0	38.8	37.0	7.93	7.71	7.73
Canning & Preserving	259.66	255.53	240.37	35.2	38.6	36.2	6.78	6.62	6.64
Other Food Products	403.18	413.70	405.34	38.0	39.4	38.9	10.61	10.50	10.42
Textile Mill Products	231.76	217.43	221.48	36.1	34.9	35.1	6.42	6.23	6.31
Apparel	214.62	197.68	212.44	36.5	34.2	37.8	5.88	5.78	5.62
Paper & Allied Products	635.18	619.01	615.08	40.9	40.3	41.7	15.53	15.36	14.75
Printing & Publishing	457.30	444.99	389.06	37.3	37.3	34.8	12.26	11.93	11.18
Construction 4/	521.59	496.30	482.59	38.1	37.4	35.2	13.69	13.27	13.71
Communications & Utilities 5/	517.90	501.82	508.79	41.3	40.6	41.5	12.54	12.36	12.26
Trade 5/	293.75	286.62	291.53	34.6	34.7	34.5	8.49	8.26	8.45
Wholesale Trade	388.69	382.02	399.85	37.7	37.6	38.3	10.31	10.16	10.44
Retail Trade	247.59	240.76	239.69	33.1	33.3	32.7	7.48	7.23	7.33
Banking & Insurance	301.75	303.89	291.84						
State & Local Government	371.52	373.94	356.40						

1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employes only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

EMPLOYERS CORNER

Gary Lorenz

Oregon State Employment Division Administrator Ray Thorne announced November 18 that the Targeted Jobs Tax Credit (TJTC) Program has been reinstated. The TJTC program is part of the Tax Reform Act of 1986, recently passed by Congress and signed by President Reagan on October 22, 1986. TJTC was originally created to encourage the employment of disadvantaged individuals. Through TJTC, employers receive a tax credit based on the wages paid to new employees in the first year of employment. "During the first seven years of TJTC, the Internal Revenue Service estimated that Oregon employers saved more than $68 million," said Thorne. "The revised TJTC program has changed from the 1978 law, but will continue to benefit both Oregon employers and unemployed Oregonians."

The new tax credit has been extended retroactively from January 1, 1986 through December 31, 1988. The maximum credit available is $2,400, or 40% of the first $6,000 of wages paid. The tax credit is limited to the first year of employment and the employee must be employed 90 days or work 120 hours before the employer can claim the tax credit on their IRS tax form. The tax credit for employing Summer Youth is 85% of the first $3,000 in wages paid.

Several groups of targeted individuals qualify for the TJTC program. Economically disadvantaged individuals who are either young adults (ages 18 through 24), Summer Youth (age 16 through 17), Vietnam-era veterans or ex-felons are eligible. Additionally, Vocational Rehabilitation clients, and individuals receiving Supplemental Security Income, General Assistance or Aid to Families with Dependent Children are also eligible for certification.

To be eligible for the tax credit, an employer must request certification on or before the employee's first day on the job. The request must be in writing and should be sent to the nearest Employment Division office.

"When Congress authorized extension of the TJTC program they did not provide funding to the states for administrative costs," stated Thorne. "Due to this, the Employment Division will be limited to clearing up the backlog of requests that were submitted through October 21. This will be done with State funds made available by the Legislative Emergency Board. We will handle new requests - those submitted since October 22 - as funds are made available."

Employers who requested certification assistance on employees hired from January 1, 1986 through October 21, 1986 will be contacted by the Employment Division. "We ask employers to be patient while we work on the retroactive requests," said Thorne. "Congress left us with a full year's work, one month to do it, and no money to do it with."

Oregon employers may contact their local Employment Division office for further information.□

NEW LMI PUBLICATION

The 1985 Oregon Covered Employment and Payrolls by Industry and County publication is now available. Included are employment and payroll data at the four-digit industry level (using Federal Standard Industrial Classification codes) for the state and two-digit industry level for each Oregon county.

For a copy please contact:

Oregon Employment Division R&S
Attn: ES 202
875 Union Street NE
Salem OR 97311
Telephone: (503) 378-8654
Toll Free in Oregon: 1-800-237-3710 ext. 8-8654

OREGON LABOR TRENDS

The Oregon Labor Trends is published monthly by the Research and Statistics Section of the Oregon Employment Division, Raymond P. Thorne, Administrator.

Send comments, questions, and address changes ATTN: Jeff Hannum, R&S-LMI or Phone (503) 378-2736 or toll free 1-800-237-3710 ext. 8-8657.

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